DOCUMENT RESUME

ED 416 007 PS 026 211

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TITLE The Advancing Nanny State: Why the Government Should Stay Out of Child Care. Policy Analysis No. 285.
INSTITUTION Cato Inst., Washington, DC.
PUB DATE 1997-10-23
NOTE 37p.
AVAILABLE FROM Cato Institute, 1000 Massachusetts Avenue, N.W., Washington, DC 20001; phone: 202-842-0200; fax: 202-842-3490; www: http://www.cato.org/pubs/pas/pa-285es.html ($6 each; 5 or more copies, $3 each).
PUB TYPE Opinion Papers (120)
EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS *Day Care; Day Care Effects; Early Childhood Education; *Employer Supported Day Care; *Family Day Care; *Government Role; Policy Analysis; Public Policy
IDENTIFIERS National Day Care Home Study; White House Conference on Child Care

ABSTRACT

In October 1997 at the White House Conference on Child Care, the Clinton administration announced several initiatives to expand federal control over day care. This policy paper contends that federal initiatives of this type are misguided because they seriously misread the true state of child care in the United States. In response to advocacy groups that claim that there is a shortage of child care facilities, that they are unaffordable, and that unregulated day care harms children, this paper argues that almost all parents are satisfied with their child care arrangements, that child care fees have not changed in real terms since the late 1970s, and the number of providers has kept pace with the demand. Further, the National Day Care Home Study found no indication that unregulated family day care is harmful to children. Rather, family day care caters successfully to the diverse needs of the children in care. This paper is critical of the suggestion that national standards are needed for child care and notes that the debate turns on the definition of quality, which has been defined by President Clinton in terms of accreditation, wages, and funding levels rather than results and impact on children. Given these facts--that parents are satisfied with their children's care and that high-quality care is both available and affordable even for low-income parents--this paper contends that Congress should resist attempts to increase child care funding and to impose federal standards on providers and parents. Contains approximately 50 references. (KB)

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Policy Analysis

No. 285 October 23, 1997

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THE ADVANCING NANNY STATE

Why the Government Should Stay Out of Child Care

BY DARCY OLSEN

Executive Summary

On October 23, 1997, the Clinton administration will host the White House Conference on Child Care. The administration is expected to announce several initiatives to expand federal control over day care, ranging from increased federal subsidies to public education campaigns. Those federal initiatives are misguided, largely because they seriously misread the true state of child care in the United States.

Advocates of increased government involvement in child care generally argue that (1) there is a shortage of child care facilities, (2) the facilities that do exist are not affordable, and (3) unregulated day care is harmful to children. But the push for federal child care standards and more federal subsidies to make sure that all children have a "strong and healthy start in life" is unnecessary and misguided. There is no child care crisis.

Ninety-six percent of parents are satisfied with their child care arrangements; child care fees have not changed in real terms since the late 1970s; and the number of child care providers has kept pace with the swelling demand for child care. Likewise, the National Day Care Home Study conducted for the Department of Health and Human Services found no indication that unregulated family day care was either harmful or dangerous to children. In fact, family day care caters successfully to the diverse needs of the children in care. The child care market is healthy and heterogeneous, reflecting the diversity of its buyers.

Given the facts--that parents are satisfied with their children's care and that high-quality care is both available and affordable even for low-income parents--Congress should resist any attempt to increase funding for child care and to impose federal standards on providers and parents.

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Introduction

Two trends have moved the historically personal issue of child care to the fore of public debate: the increased participation of mothers in the paid workforce and the increased use of center-based child care.[1] The percentage of working mothers with pre-school-aged children doubled between 1970 and 1995, from 32 percent to 62 percent.[2] The share of children under age five enrolled in center-based care increased sharply between 1977 and 1993, from 13 percent to 30 percent.[3] In total there were nearly 10 million pre-school-aged children with employed mothers in 1993, of whom roughly half were cared for by someone other than their parents or relatives.[4]

As child care has expanded to include care outside a child's home, legislators have come to view it as a public responsibility. The welfare-to-work reforms under way in all 50 states have reignited concerns about the availability, affordability, and quality of child care for low-income workers. In particular, many state officials fear that welfare recipients who are required to work will be unable to afford or find appropriate child care, leaving millions of children underattended. Because of those concerns, the administration has decided to champion the cause of child care in order to "provide the kind of quality care that parents need."[5] The administration is expected to announce several initiatives to expand federal control over child care, ranging from increased federal subsidies to public education campaigns. Those federal initiatives are misguided largely because they are based on a serious misreading of the true state of child care in the United States.

Advocates for increased intervention argue that child care is scarce, too expensive, and low quality, but the facts tell a different story. The number of child care providers has kept pace with the swelling demand for child care, child care fees have not changed in real terms since the late 1970s, and 96 percent of parents are satisfied with their current child care arrangements. Likewise, the National Day Care Home Study conducted for the Department of Health and Human Services found no indication that unregulated family day care was either harmful or dangerous to children, and, in fact, family day care caters successfully to the needs of the children in care. By all accounts, the child care market is healthy and heterogeneous, reflecting the diversity of the buyers.

In view of the facts--that parents are satisfied with their children's care and that high-quality care is both available and affordable even for low-income parents--

Congress should resist any attempt to increase funding for child care and to impose federal standards on providers and parents.

Government Child Care Efforts

The government's involvement with child care already gives literal meaning to the term "nanny state." Local, state, and federal governments pay roughly 40 percent of the total annual estimated expenditures for child care in the United States.[6] Federal funds allocated to families for child care have doubled since 1980; funds targeted to low-income families have almost tripled.[7]

Not surprisingly, the federal approach lacks coordination, and federal programs have often failed to assist targeted populations.[8] The General Accounting Office estimated that in 1992 and 1993 the federal government funded more than 90 early childhood programs administered through 11 federal agencies. In 1994 the Congressional Research Service identified 46 operating federal programs related to child care.[9] Major sources of federal child care assistance include the Social Services Block Grant under Title XX of the Social Security Act, the Child and Dependent Care Tax Credit, and the Child Care Food Program.

Other federal programs provide assistance for child care services and training for child care providers. Most of those programs are not child care programs per se; they support child care as a component of other activities, such as job training, housing assistance, and education. For example, under various federal student financial aid programs, students can count a certain portion of child care expenses as part of the cost of postsecondary education and thereby receive federal student aid to help cover child care costs.[10]

Although Congress requires the states and the Department of Health and Human Services to collect information on child care services funded and families served by the federal programs, little information is actually available for making assessments about the impact of federal child care assistance. For example, virtually no information is available on the quality of care given by the various types of child care providers serving subsidized families. There is also little information available on the total number of families served.[11]

Despite the duplicative, unaccountable record of federal child care programs, the 105th Congress actually increased federal spending on child care with the passage of

the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The welfare reform bill combined four previous federal child care programs into one block grant, the Child Care and Development Fund.[12] While opponents of welfare reform worried that the bill would reduce child care funding, CCDF provides states with roughly $4 billion more in child care funds than was ever spent before.[13] In total, the bill authorizes $13.9 billion in mandatory funding and $7 billion in discretionary funding for fiscal years 1997-2002.[14] States are required to use at least 70 percent of their funds to provide child care assistance to families who are receiving federal assistance, those who are attempting to leave such assistance programs, and those who are at risk of becoming dependent on such programs. A new Welfare-to-Work grant passed in the Balanced Budget Act of 1997 gave an additional $3 billion to the states for fiscal years 1998-99, which can be used to pay for child care.[15]

It is estimated that welfare-to-work reforms could affect approximately 4.5 million pre-school-aged children.[16] Given that the 1996 reforms have only recently been implemented, it is not possible to determine with certainty how many of those children will actually need child care. In light of the exemptions in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, however, it is highly unlikely that all of those children will need child care immediately. The act requires that only 50 percent of each state's adult welfare caseload be working by 2002.[17] Single parents with children under age six need only work 20 hours a week to meet the work requirement.[18] The act further stipulates that a state may not reduce or terminate assistance on the basis of a refusal to work if the household includes a single parent and a child under six years old and child care is unavailable for almost any reason.[19] Moreover, low-income families typically rely on care by relatives, which is both available and affordable. In 1993, for example, 60 percent of preschoolers in poor families were cared for by relatives and only one in six of those arrangements required cash payments.[20] If all of the welfare recipients with pre-school-aged children began working immediately, considering their preference for child care by relatives, at most roughly 2 million children would need family- or center-based care. And since only 50 percent of each state's adult caseload must be working by 2002, the number of children needing immediate care is likely to be far smaller. In addition, single parents with a pre-school-aged child are exempt from work if they cannot find child care.

There is no reason to believe that the child care market will be unable to adjust to accommodate more children. The Profile of Child Care Settings, the most recent, compre-

hensive study of the supply of center-based and regulated family day care, concluded, "The market seems to be working to increase supply as demand expands."[21] Furthermore, according to the Department of Health and Human Services, in the past the states have demonstrated "a strong commitment to quality, as well as a commitment to the children and families in each community."[22] At least 27 states already provide transitional child care based on a sliding scale for between 12 and 24 months for individuals entering the workforce.[23] Twenty states plan to appropriate state dollars beyond the amount that they are required to spend to draw on federal funds.[24] Eleven states have indicated that they are increasing their income ceilings for eligibility so that more families will be eligible for a child care subsidy. A number of states are generating revenue for child care through tax credits. For example, Minnesota offers a refundable child care tax credit that specifically benefits lower-income families and Colorado offers a tax checkoff option for child care and tax credits to individuals as well as businesses.[25] In sum, the American Public Welfare Association concludes that "there is an across-the-board effort to ensure the availability of quality child care for all low-income residents, not just those that are transitioning off welfare."[26] While the merits of the various programs are subject to debate, it is clear that the states are taking responsibility for child care without mandates or directions from the federal government.

National Child Care Standards

Advocates of national child care standards generally argue that (1) parents are unable to distinguish between low- and high-quality care, (2) the government has the information to determine what constitutes high-quality care, and therefore (3) the government should set standards to guarantee high-quality care for all children.[27] That line of reasoning assumes that parents are ignorant of the quality of care their children receive. It further assumes that there is one universal definition of "high-quality care." On the basis of those assumptions, advocates of national standards would abrogate parental care-taking responsibility and limit care only to what meets government standards.

The debate about the need for national standards turns on the definition of "quality," raising the obvious question of who should define quality. There is some agreement among parents and providers about what is most essential to good child care: the child's safety, communication between providers and parents about the child, and a warm and attentive relationship between the provider and the child.[28] Child

care researchers and children's advocates, however, often use the criteria established by the early care and education (ECE) professional communities, which define quality child care as "that which is most likely to support children's positive development."[29] Positive development goes beyond protecting children's safety and health to encouraging them to become independent; teaching them through interesting, fun activities; and establishing a close, personal relationship with every child.[30] Other advocates, including President Clinton, further define quality, not by results, but by inputs such as accreditation, wages for child care workers, and levels of government funding.[31] What "quality" entails begins to look less like a question of children's needs and more like a political issue pushed by special-interest groups, such as regulated child care providers, rather than concerned parents.[32]

The research shows that parents seek high-quality care for their children, are aware of the type of care their children receive, and are satisfied with their child care arrangements. According to the National Child Care Survey, 37 percent of all parents indicated that "quality" is the most important factor in their choice of arrangements, and another 30 percent indicated that the most important factor is that care be by a "relative."[33] The researchers believe that the extent to which a desire for "relative care" reflects a desire for quality or some other factor is unclear. However, it is likely that parents equate care by a relative with quality. As the National Research Council explains,

> "Quality" in turn, was most often defined as a feature of providers--whether they are warm and loving, their reliability, and their experience with children, features that many low-income families appear to equate with relative care rather than with the generic response choice of "quality."[34]

Some researchers have suggested that parents may prefer to tell interviewers that quality is more important than other factors, such as cost or location, but there is now a substantial literature that replicates the findings of the National Child Care Survey regarding the salience of quality considerations.[35]

While quality is the primary concern of most parents when choosing child care arrangements, parents do not have a unidimensional view of what constitutes quality. Because people are different, parents have different priorities in determining quality. This medley of parental demands manifests itself in a market with a choice of products.[36] For

example, researchers have found that parents who value developmental characteristics more often choose center care instead of family day care and home care. However, mothers who value their child's knowing the caregiver more often choose family day care.[37]

Overall, the research shows that parents select the type of child care arrangements that match their demands for quality as they see it. Perhaps for those reasons the National Child Care Survey found that 96 percent of parents are "satisfied" or "highly satisfied" with their child care arrangements--a finding that did not vary with the employment status of the mother, the type of care used, family income, age of the child, or race.[38] It is clear that quality care is a priority for parents, and their satisfaction with their arrangements suggests that they have found it.

However, many child care advocates are unconcerned with a parent's right to choose or define quality care for their child. In 1991 the National Research Council made clear its belief that social planning must take precedence over parental choice:

> Preserving parents' choices in the care and rearing of their children is essential; however, it has to be balanced against the need to plan and coordinate services in a way that ensures their quality and accessibility to all families who need them.[39]

Accordingly, the council recommends that the federal government establish a task force to develop national standards for child care services--a task force that it recommends include everyone from state representatives to federal agencies, except parents. The National Research Council proposes mandating standards for everything from staff/child ratios to the configuration of physical space. For example, the council suggests,

> Space should be well organized, orderly, differentiated, and designed for children's use. Specific activities should have assigned areas within a child care center or family day care home (e.g., an art table, a dramatic play corner, a building-block corner, a reading corner).[40]

It is easy to see how far beyond the basic issues of health, safety, and nurture the idea of standards has moved. In practical terms, consider quality standards as a function of values. The National Child Care Survey found that one-quarter of parents cited religious instruction as a goal and

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two-thirds mentioned gaining appreciation for their culture as a goal.[41] Should the government then mandate religious instruction or cultural instruction as part of its quality standards? Or let us consider the fact that some parents prefer relative care while others prefer center-based care. We know that parents who value developmental characteristics more often choose center care instead of family day care and home care. We also know that mothers who value their child's knowing the caregiver most often choose family day care. Should the government be able to restrict care to center-based care if center-based care better promotes "positive development"?

Of course standards and regulations do not guarantee excellence. A recent special report in U.S. News & World Report opened, "Too many parents have learned that day-care licensing and regulation, even when they exist, do not guarantee quality."[42] Advocates of standards typically argue that this is because current regulations are too lax, but that is unlikely. Consider, for example, the record of unregulated family day care. The National Day Care Home Study conducted for the Department of Health and Human Services found no indication that unregulated family day care was either harmful or dangerous to children; in fact, it caters successfully to the needs of the children in care.

> The public needs to be informed that, by and large, family day care has been found to provide a stable, warm and stimulating day care environment which caters successfully to the developmentally appropriate needs of the children in care; that parents who use family day care report it satisfactorily meets their child care needs; and that the cost of this care is reasonable.[43]

A recent investigative report in the Washington Post also provides evidence that regulations do not guarantee excellence.[44] The regulated but poorly maintained child care centers uncovered by the Post's reporter are a casebook example of the unintended results of government-selected, government-subsidized care. The centers in question, which include the city's largest providers of taxpayer-subsidized child care, continue to receive government funds regardless of the conditions of the facilities. The Department of Human Services chooses the centers that get public money for poor children and then continues to subsidize those centers despite the fact that they have failed to meet safety and health standards. Unlike in a private child care setting, where providers must be responsive to parents' demands to stay in business, the government's subsidized providers stay in business regardless.

It has been argued that, although parents are concerned about the quality of care their children are receiving, they cannot make appropriate decisions if they are uninformed about the availability, cost, and quality of various types of care.[45] First Lady Hillary Rodham Clinton puts it this way: "A lot of times they [parents] don't know what is quality. If somebody's nice to them, it doesn't matter that they don't know the difference between caring for a one-year-old or a four-year-old."[46]

But can government determine better than parents can what constitutes quality care? Certainly the government has the ability to collect research and information on children's development, yet that information is readily available to anyone who has access to a library, magazines such as Parenting and Working Mother, or the World Wide Web. Parents, like most people, hear about the latest research from news reports and from others who share their concerns. In light of what we know about how informed parents are and how accessible information on child care and development is, it seems implausible that government can determine what constitutes quality care better than can parents. Furthermore, since parents have different views of what constitutes quality and every child has unique needs, it is inconceivable that the government could set standards that would reflect the desires of millions of working parents and the unique needs of their children. Even the Department of Labor's internal task force on child care concedes that point: "Child care requirements of parents and families vary substantially. Therefore, child care policy cannot be addressed in an aggregate fashion."[47]

As it turns out, parents are well-informed consumers of child care. The National Child Care Survey concluded,

> It is striking that the information provided by parents on the price of care (even for types they do not use) and on the characteristics of their arrangements [group size, child/staff ratios, provider's education and training] closely matches national estimates on fees that providers charge, on actual expenditures by users, and on the average characteristics reported by providers. . . . This suggests that many parents are fairly well-informed consumers of child care.[48]

Moreover, the entire debate on the quality of child care may overstate the impact of child care on a child's long-term development. We actually know relatively little about what constitutes quality child care and the long-term effects of various types of child care. According to a 1995

National Research Council report,

> Virtually no research has examined the cumulative, long-term effects on children of attending child care arrangements of varying quality as preschoolers or the societal impacts of exposing a substantial share of young children to child care settings that fail to foster their optimal development.[49]

In 1996 the council further noted, "A fundamental challenge in this area [assessing child care environments] concerns the basic ingredients of quality care; what is developmentally beneficial for one child may not be so beneficial for another."[50] According to the council, we do not even know what constitutes the "basic ingredients" of quality care, let alone understand the long-term effects of different types of child care arrangements.

Child care accounts for little in terms of children's cognitive and language development and has little influence on the sensitivity of mother-child interaction. For example, child care factors account for only 1.3 percent to 3.6 percent of individual differences in cognitive and language performance, compared with the 5 percent to 41 percent of the differences that are traceable to all variables, including family income, mother's vocabulary, gender of the child, and family environment.[51] Regardless of how much child care a child receives, its effects are dwarfed by the influence of family. It is unclear how government could guarantee high-quality child care for all children when there is little or no information on what constitutes such care. Moreover, what constitutes quality care for one child does not necessarily constitute quality care for another. Indeed, only parents have the information to apply the research in ways that will meet the unique needs of their children. Every parent knows that children are as individual as their fingerprints--no centralized program can take their individual needs into account. Any such program would run the risk of barring child care that parents have found effective.

Some child advocates argue that child care is good because it is an avenue of intervention in the lives of children from disadvantaged backgrounds.[52] Other advocates argue that mother care is better than day care and that any intervention should help families stay afloat financially so the mother can care for the children at home.[53]

One thing is clear: there is no consensus, scientific or political, on what is best for every child. That makes sense to parents who know firsthand that every family and

every child have unique needs. Congress and the administration should acknowledge those facts--that is, they should recognize that the push for national standards is politically driven and scientifically unfounded. They should further respect the fact that 96 percent of parents are satisfied or very satisfied with their current child care arrangements.

Is There a Child Care Shortage?

After thoroughly examining data from the best available sources, in 1988 the U.S. Department of Labor concluded, "This report finds no evidence in support of the contention that there is a general, national shortage of available child care."[54] The department's findings were confirmed in 1990 by Profile of Child Care Settings, which examined center-based programs and regulated family day care.[55] The profile found that centers are distributed across regions and metropolitan and nonmetropolitan areas of the United States in approximate proportion to the population of children under age five. In contrast, regulated family day care programs are not distributed across regions in the same proportions; the supply of regulated family care is more concentrated in the Midwest and West and relatively less concentrated in the Northeast and South. The researchers believe that that discrepancy primarily reflects differences among states in the exemption of small family day care providers from regulation, rather than a market flaw. There is strong evidence that the variation in regulatory requirements, rather than a market mismatch between supply and demand, accounts for the disproportionate distribution of family day care centers across the country.[56]

At the time of the survey, there were approximately 80,000 centers with capacity to serve 4.2 million preschool children. Those centers had roughly 200,000 vacancies. There were approximately 118,000 regulated family day care providers with capacity to serve 860,000 children; those providers had 160,000 vacancies. The estimates do not include the nonregulated family day care providers, of which there may be from 550,000 to 1.1 million.[57] The utilization rates average 88 percent and are remarkably similar across regions and urban, suburban, and rural areas. Those high rates suggest that the current supply of care is close to being fully utilized, which indicates that the supply of care responds to the demand for care. Overall, the profile found, "The market seems to be working to increase supply as demand expands."[58] The National Child Care Survey confirmed the profile's findings:

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> This report documents a continued movement toward use of center-based programs for children of all ages and types of families, which is consistent with the increase in the supply of and stability in price of such care. Center-based care is generally viewed by most parents as available. . . . Family day-care is an option for most families, in that they perceive it as the most available of care.[59]

While there are generallly vacancies, in both real and perceived terms, two-thirds of centers report that they had waiting lists. Many commentators have assumed that those waiting lists are indicative of market flaws or shortages. However, many economists have found that waiting lists are often a poor measure of actual demand. Queues are a way to smooth fluctuations in demand, and they may reflect only short-run phenomena--even a market that is functioning well requires time to adjust to changes in demand. Another explanation of waiting lists may be that government subsidies increase demand for center-based services. James Walker, a labor economist and chair of the Economics Department at the University of Wisconsin-Madison, explains:

> Child care centers are also similar to colleges in a way that provides another motivation for using queues and waiting lists: many are highly subsidized by private groups or the government, so that fees charged do not reflect the total cost of providing the service. In these circumstances, queues may serve the role of prices that are unable to adjust to the excess demand because of the regulations imposed by the subsidizing agency.[60]

Walker's explanation may help explain the perceived shortage for infant care. In particular, Profile of Child Care Settings found that center-based infant care is slightly less available than is center-based care for older children. Although centers reported that fewer than 10 percent of their vacancies could be filled by infants, about half of all family day care providers reported that they could serve more infants.[61] Since centers are more heavily regulated than family day care providers and receive a greater share of government subsidies, it seems likely that interference with the market, rather than a market imperfection, has led to the near-shortage of center-based infant care.[62]

Another concern is the availability of child care during nonstandard hours. Nonstandard hours include early

mornings, evenings, nights, and weekends, as well as all shifts longer than eight hours. The number of individuals seeking but not finding around-the-clock care is unknown; however, the demand for that type of care appears to be increasing.[63] The Women's Bureau of the U.S. Department of Labor found that child care during nonstandard hours is an increasing concern for two reasons: the long-term trend toward a service-based economy and employers in all sectors changing their schedules for reasons ranging from enhanced customer satisfaction to reduced air pollution.[64] The bureau found that the mismatch between worker schedules and available services varies considerably from one community to another, as well as demographics, the nature of major industries, and local resources. The bureau also found that local communities have been creative and successful in responding to the need for child care.

The report identified three general models that individuals have developed to meet the need for care during nonstandard hours: the single employer model in which a single employer designs a child care program to fit the company's work schedule; the employer consortium model in which various employers in an industry or geographic area conduct joint child care projects; and the community partnership model in which parents, providers, unions, and others identify local child care needs, pool resources, and share skills and expertise. In view of the push to nationalize standards and increase subsidies, perhaps the bureau's most important finding was its conclusion:

> As a growing number of parents work non-standard hours, employers and communities around the country are responding to the need for new kinds of child care in a variety of ways. . . . There is no one-size-fits-all solution. The best solutions are based on a careful assessment of the needs of parents and children as well as local resources for children and families.[65]

While there is no widespread day care shortage, when pockets of shortage do appear, it is likely that they are caused by subsidies or regulations. Of all state regulations, those that directly affect staff/child ratios have the most direct bearing on the supply of day care. The National Day Care Study, commissioned by the Department of Health, Education, and Welfare, confirmed that the staff/child ratio was the most important determinant of providers' costs but found only a "slight" correlation between staff-child ratios and quality.[66] Early research showed that smaller groups are beneficial for a child's development, but more recent evidence has called that link into question.

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Today, research on the relationship between child/staff ratios and child outcomes is still inconsistent, yet advocates of standards continue to call for smaller ratios.[67]

Zoning laws also affect the supply of child care, even though they are generally irrelevant to the health or safety of the children. For example, most city zoning commissions consider day care a small business and prohibit programs from opening in residential areas. Those prohibitions can extend even to individuals who wish to use their own homes to care for neighborhood children.[68] Zoning codes can obviously form barriers to opening and operating both family- and center-based care facilities. People who seek to increase the availability of child care should examine local zoning ordinances to see if they pose a significant barrier to expanding the supply of child care. If so, waivers should be sought to exempt day care facilities from the ordinances.

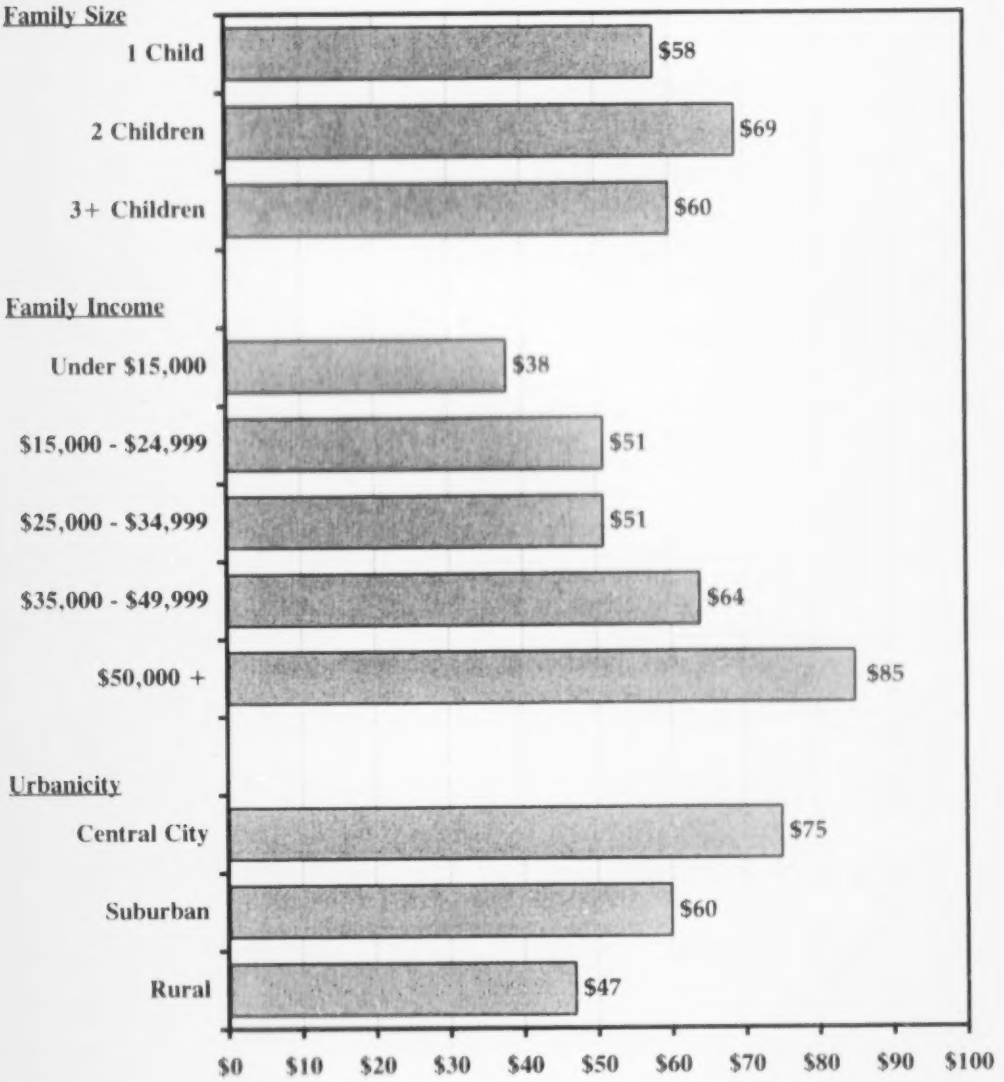
Is Child Care Affordable?

If the demand for day care truly exceeded the supply, the price of day care would be increasing rapidly, yet that has not occurred. After adjusting for inflation, child care fees have not changed since the late 1970s.[69] And, when parents were asked, "Assuming you could have any type of care, would you prefer an alternate type?" only 24 percent said yes.[70] The evidence clearly indicates that there is no child care shortage.

Despite the growing demand for child care, it remains affordable. Figure 1 shows the mean weekly expenditure for all children in a family (with at least one child under five) made by employed mothers who pay for child care. The mean for the lowest-income families is about $38 per week. Only in the central cities and for the highest-income families is the mean child care cost more than $70 per week. Average weekly child care expenditures for preschoolers for families below the poverty level total $49.56. For those above the poverty level, the corresponding figure is $76.03.[71]

If child care were too expensive, we would expect to find parents, particularly low-income parents, expressing great concern about costs and dissatisfaction with their child care arrangements. But that is not the case. A substudy of the National Child Care Survey found that 95 percent of low-income families--that is, families with annual incomes below $15,000--are "satisfied" or "highly

Figure 1
Mean Weekly Expenditure for All Children in the Family with Youngest Child Under 5, Employed Mothers Paying for Care Only



Source: National Child Care Survey, p. 167.

satisfied" with their current child care arrangements.[72] Perhaps more notable is the fact that 92 percent of parents, high- and low-income alike, report that they would be willing to pay more for their current child care arrangements.[73] While about 25 percent of those parents expressed a desire to change their current arrangements, only 3 percent said they wanted to change arrangements because of cost.

Mothers' choice of child care is based on many factors, only one of which is cost. According to the National Child Care Survey, only 16 percent of low-income families mentioned cost as the most important reason for choosing an arrangement. The middle-income group mentioned cost less often than the lowest-income families, but the differences were not statistically significant, indicating that cost concerns do not necessarily stem from financial constraints.[74] Some researchers believe that parents hesitate to admit that they are concerned with cost, but, as noted earlier, there is substantial literature that replicates the National Child Care Survey's findings regarding the primacy of quality considerations.[75]

Many families in fact pay nothing for child care. In 1993 only half of all arrangements used for preschoolers while their mothers were working required a cash payment.[76] Whether or not a family pays for child care depends in part on the type of arrangement used. For example, when relatives are used, cash payments are required for only one in six arrangements. In 1993, 60 percent of preschoolers in poor families and 46 percent of preschoolers in nonpoor families were cared for by relatives.[77] That means that roughly 50 percent of poor parents and 38 percent of nonpoor parents paid nothing for child care in 1993. Furthermore, those figures do not take into account the free or partially subsidized child care provided through government and civic programs, which further decreases the amount parents pay for child care.

Many welfare officials believe that the expense of child care has kept welfare recipients from entering the workforce in the past. They typically cite as evidence surveys of nonworking mothers who say they stopped working because they could not find affordable child care. However, recent experience with state-funded child care programs shows that claim is dubious. According to Lawrence Mead, author of The New Politics of Poverty: The Nonworking Poor in America,

> The Massachusetts's Employment and Training Choices program funded child care for workfare more lavishly than any other state, yet only 14 percent of participants asked for care from the program. . . .In California's statewide program, known as Greater Avenues for Independence (GAIN), only 10 percent of the mandatory (that is, officially employable) participants used GAIN-funded care.[78]

Mead's findings lend credence to the idea that child care is not a critical component of welfare-to-work programs. His findings also probably reflect low-income mothers' preference for relative-based care. William Kelso, author of Poverty and the Underclass: Changing Perceptions of the Poor in America, confirms Mead's findings and further states that the argument fails to explain why fewer indigent women are working today than in the past.

> If child care is that crucial an issue, we would expect work rates for poor women to be roughly the same from one decade to the next. . .but the percentage of poor women working full time has declined by roughly 50 percent from 1968 to 1990. That decline has occurred despite the fact that poor women, who have fewer children than they did twenty years ago, also have more opportunities to enroll their children in government-subsidized day care. In a major reversal of past practices, many states, such as Massachusetts and California, currently earmark funds for child care programs for low-income women. But as public officials have dramatically increased the resources available to indigent single women to care for their children, their hopes that their work record would improve has not materialized. On the contrary, as government entities have begun to set aside more resources to fund child care for indigent women, indigent participation in the labor market has dropped contrary to the predictions of the advocates for more child care. Too many advocates of child care have failed to see that the spotty work record of many poor women may reflect more a lack of motivation than a lack of affordable child-care facilities.[79]

Those findings certainly call into question the wisdom of relying on increased subsidies to induce low-income women to join the workforce.[80] A report issued by the General Accounting Office in 1994 found that, even if poor mothers received a full child care subsidy, it would result in only a 15 percentage point increase in the average probability of poor mothers working.[81] Whenever a product is free, a number of people will take advantage of it. That does not, however, indicate that subsidies are necessary so women can work. Finally, poor women themselves do not blame lack of child care for their lack of work. In one survey, only about 14 percent of welfare mothers said that lack of child care was the primary reason for not taking a job.[82]

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Intervention in child care is a paternalistic approach to problem solving--it condescends to low-income, single mothers, treating them as victims who need to be rescued by the state.[83] More fundamentally, people should not bear children for whom they are unwilling or unable to provide. Eloise Anderson, director of the California Department of Social Services, puts it succinctly:

> This approach basically views women as victims without choice. It also assumes that people on aid are different and cannot be held accountable. We ourselves do not have children until we can afford them, but we don't have the same expectation for people on aid. There is an underlying belief that these people are inferior and that government needs to take care of them.[84]

On a practical level, there is overwhelming evidence that standards and subsidies cause shortages and increase prices for certain types of care, although the degree to which they distort the market is unknown.[85] We do know, however, that low- and high-income families find their child care arrangements satisfactory and affordable. If advocates insist on trying to make child care even more affordable, the last thing they should do is impose more day care regulations on providers: doing so would regulate the most affordable options out of existence.

Real Alternatives to Federal Subsidies and Standards

There are many ways to improve the quality of child care without federal mandates. Employers, unions, and communities are sponsoring such programs, which range from encouraging more parental involvement and education to training child care providers and helping facilities attain voluntary accreditation.[86] The increased participation of mothers in the paid workforce has been the impetus for some of the most innovative, low-cost, high-quality child care assistance programs in the country.

In the early 1980s, employers, unions, and communities began responding to the changing demographics of the workforce with innovative approaches to child care. A number of companies' created work-family task forces and conducted employee surveys, which eventually resulted in companies providing child care assistance to employees through options such as on-site child care, resource and referral, and dependent-care subsidies. Companies also instituted flex time and telecommuting options to address family needs.[87] Employer-provided child care assistance has blos-

somed in the past decade. In 1978 just over 100 employer-supported programs were operating. By 1987 employer-supported child care centers were operating in 25,000 of the nation's public- and private-sector workplaces.[88] In 1988 the U.S. Department of Labor examined some of the reasons for employers' increased attention to child care:

> The quickening trend toward employer assistance is noteworthy: it is occurring before any comprehensive cost-benefit analysis of child care problems and solutions has been done. Basic research relating child care to productivity, absenteeism, tardiness, turnover, recruitment, quality and competitiveness is almost nil. . . . Perhaps the key motivator has been the widespread agreement in business, industry, and finance that the recruitment of good workers is a real concern. Since child care helps attract and keep employees, management has been prompted to act.[89]

By 1990 half of all U.S. families reported having some employer benefit or policy that helped them manage child care and other family responsibilities.[90] Twenty percent to 36 percent said that part-time work, unpaid leave, or flex-time were available. Another 10 percent reported that their employer sponsored an on-site center.[91] In the past five years alone, corporations have invested more than $350 million in child care initiatives. Those funds have been used primarily to open new child care centers, recruit new family child care homes, and improve the quality of child care services.[92] Working Mother, which publishes annually a list of the "100 Best Companies for Working Mothers," explained the continued growth in employer-assisted child care this way:

> Companies compete vigorously to get on the WM 100 because they want to be known as the most family-friendly employer in their industry or profession. Recruitment needs drive this competition. And of course corporations also want to retain the talented people who already enrich their ranks. That's why companies from so many diverse fields have developed programs that rate them a place on the WM 100.[93]

This year, the Ewing Marion Kauffman Foundation and the Pew Charitable Trusts published a catalogue of current strategies for financing child care in the United States. The catalogue describes several commendable child care assistance programs, one of which was developed by Levi Strauss & Company. In 1991 LS&CO established a multistate

child care initiative to meet the unique needs of its workforce--79 percent of LS&CO employees are women with children.[94] The initiative has three significant components: (1) vouchers to help families pay for child care, (2) resource and referral services to help families locate and evaluate care, and (3) a charitable giving program that provides grants to help improve the quality and expand the supply of child care in communities where LS&CO employees live and work. The benefits to employees are clear: the initiative has made child care easier to locate, easier to evaluate, and easier to pay for. The company also reaps the reward of its investment. The catalogue explains,

> In an era of widespread corporate downsizing, employees know that they are not likely to work for the same company their entire lives. They are, therefore, less likely to feel committed to their employer. As a result, many companies are attempting to develop new social contracts with employees, contracts that help to build worker loyalty through family supports and other "quality" of work-life' programs rather than a commitment to lifetime employment.[95]

Another employer initiative cited in the catalogue is the American Business Collaboration for Quality Dependent Care (ABC), which is a business strategy intended to increase the supply and quality of dependent care services in the United States. The collaboration includes 21 major national and international corporations, such as American Express, Chevron, Eastman Kodak, and Xerox, and more than 100 regional and local business partners. ABC funds are used for start-up expenses and one-time efforts that expand or improve services, such as facility construction, staff development, grants for equipment necessary to achieve accreditation, and the direct costs of accreditation. For ABC, the decision to improve child care was motivated by the bottom line: "We believe that supporting the diverse dependent care needs of our employees is critical to our success as it enables our companies to attract and retain a productive, competitive, committed, and motivated workforce."[96]

Many companies have started offering more company benefits to reduce employee turnover and to attract workers where labor is in short supply. One such company is Indianapolis-based RCI International, which has invested in a $1.1 million day care center. The company reports that the center is already paying off in the form of lower employee turnover. NationsBank also supports employee child care. The bank offers to pay about half of the cost of child care for bank tellers and back-room operations employees whose

incomes are less than $35,000 per year. NationsBank management have found that the turnover rate of people wwho receive the subsidy is less than half of that of people at the same grade and pay who do not receive the subsidy.[97]

Labor unions are increasingly including child care on their collective bargaining agendas. As early as 1988, child care programs had been established by several major unions including United Auto Workers, United Steel Workers, Newspaper Guild, United Food and Commercial Workers, International Ladies Garment Workers Union, Amalgamated Clothing and Textile Workers Union, Civil Service Employees Association, and the American Federation of State and County Municipal Employees.[98] One recent example of union sponsorship is the 1199/Employer Child Care Fund, which includes contributions from 147 employers. The fund was established to help meet the child care needs of employees who are members of Local 199 of the National Health and Human Services Employees Union, 80 percent of whom are women. The fund supports seven initiatives, including (1) one on-site center, (2) vouchers that reimburse up to $75 per week for child care in both formal and informal settings, and (3) contracts with programs offering care during school holidays.[99]

Communities are also helping families better meet their child care needs. As noted earlier, parents, providers, unions, and others have pooled resources and shared skills to help meet the growing need for care during nonstandard hours. One example is the Child Care Scholarship Fund of the Marin Community Foundation. The fund provides financial assistance to low- and moderate-income families in Marin County, California. The Marin Community Foundation launched the Child Care Scholarship Fund in 1990 with a $3 million donation and established an additional pool of up to $3 million to be used to match community donations. Scholarships are awarded on a sliding scale to families with low to moderate incomes and cover between 30 percent and 90 percent of the family's child care fees. Assistance is designed to be a time-limited bridge to help families transition to self-sufficiency and, for that reason, awards are not made for longer than two years.[100]

The tremendous growth of nongovernment child care assistance lends credence to the argument that market forces will continue to expand the supply of affordable, quality day care to meet modern demands. They further cast doubt on claims about the need for federal involvement in child care, in terms of both increased subsidies and national standards.

Finally, government could do more by doing less. A 1987 poll conducted by Mark Clements Research Inc. found

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that 84 percent of women who were employed full or part time agreed with the statement, "If I could afford it, I would rather be at home with my children."[101] We know that taxes bear heavily on American workers: the average U.S. family today pays more in federal, state, and local taxes than for food, clothing, transportation, and housing--combined.[102] Certainly the federal government could help all families better afford child care, and even reduce some demands for child care, by simply lowering taxes.

Who Is Responsible for Child Care?

In announcing the October 23, 1997, White House Conference on Child Care, President Clinton stated, "This nation can and should do better. Each of us--from businesses to religious leaders to policymakers and elected officials--has a responsibility and important stake in making sure that children of all ages have the best possible care available to them."[103] Symptomatic of the problem with Clinton's policy is his list of parties charged with child care--businesses, religious leaders, policymakers, and elected officials. Parents are not on the list.

As child care has moved beyond its traditional confines to include care outside the child's home, policymakers across the political field, from First Lady Hillary Rodham Clinton to Sen. Orrin Hatch (R-Utah), have come to view caring for children as a public responsibility.[104] While the desire to have every child well cared for is commendable, the desire to forcibly take away from parents the responsibility for that care is not. Few issues are more personal than child rearing. Child care should remain safe from government intrusion. Our form of government demands the separation of church and state because religion is a subject of personal conscience and belief. Child care is no more or less personal. It deserves the same protection for the same reasons.

The 20th century has witnessed the growth of a government paternalism that treats individuals as victims who lack the wherewithal to take responsibility for their own lives. Government intrusion into child care is an extension of that philosophy, suggesting that parents are unable or unwilling to care for their children. Yet, as we have seen, the vast majority of parents are informed consumers who place primary importance on the quality of their children's care.

Conclusion

As Winston Churchill admonished, "If you don't look the facts in the face, they have a way of stabbing you in the back." Advocates of child care should not propose policies that will ultimately render child care less affordable. The fact is that high-quality child care is available and affordable even for low-income parents. Misguided policies that would increase regulations and subsidies would increase the costs of child care, pricing it out of reach of those they are intended to help.

The vast majority of low-, middle-, and high-income families are satisfied with their child care arrangements; child care fees have not changed in real terms since the late 1970s; and the number of child care providers has kept pace with the swelling demand for child care. Employers, unions, and communities have responded to child care demands by developing creative programs for child care assistance. That creativity should not be replaced with a set of rigid standards, which would run roughshod over the individual needs of parents and children. As parents know, every child has unique needs that cannot be met by a uniform code.

Congress and the administration should recognize that the push for national standards is politically driven and scientifically unfounded. Given the facts--that parents are satisfied with their children's care and that high-quality care is both available and affordable even for low-income parents--Congress should resist any attempt to increase funding for child care and to impose federal standards on providers and parents.

Notes

1. Children are typically cared for in one of three arrangements: relative care, which is care by a parent or other relative; family day care, which is care in another home by a nonrelative; and center-based care, which includes nursery schools and organized facilities.

2. Pre-school-aged children are defined as children under age six. This paper focuses on this group of children because they are most likely to need child care. They are also the subjects of most proposals for nationwide standards and increased subsidies for child care. U.S. House of Representatives, Committee on Ways and Means, 1996 Green Book (Washington: Government Printing Office, 1996), p. 627.

3. U.S. House of Representatives, 1996 Green Book, p. 635.

4. Ibid., p. 631. Lynne M. Casper, "Who's Minding Our Preschoolers?" Census Bureau Current Population Report, P70-53, April 1996, at http://www.census.gov/population/www/socdemo/child/p7053.html.

5. Hillary Rodham Clinton, quoted in Sandra Sobieraj, "Mrs. Clinton Eyes Cheap Child Care," http://www.washingtonpost.com, October 1, 1997.

6. The estimate includes tax-based subsidies like the Child and Dependent Care Tax Credit and expenditure-based subsidies like Head Start and the Child Care and Development Block Grant. About one-fourth of government support for child care comes in tax-based subsidies, which primarily benefit middle- and upper-income families. The remaining three-quarters of government support come in expenditure-based subsidies, which are largely targeted to low- and moderate-income families. Anne Mitchell, Louise Stoney, and Harriet Dichter, Financing Child Care in the United States: An Illustrative Catalog of Current Strategies (Philadelphia: Ewing Marion Kauffman Foundation and Pew Charitable Trusts, 1997).

7. National Research Council, Institute of Medicine, Board on Children and Families, Child Care for Low-Income Families: Summary of Two Workshops (Washington: National Academy Press, 1995), chap. 1. This summary is also available at http://www.nap.edu/readingroom/books/childcare.

8. For example, the Head Start program has repeatedly been judged a failure. The Department of Health and Human Services reported, "In the long run, cognitive and socioemotional test scores of former Head Start students do not remain superior to those of disadvantaged children who did not attend Head Start." U.S. Department of Health and Human Services, Administration for Children, Youth, and Families, "The Impact of Head Start on Children, Families and Communities: Head Start Synthesis Project,"June 1985, executive summary, p. 1. See John Hood, "Caveat Emptor: The Head Start Scam," Cato Institute Policy Analysis no. 187, December 18, 1992.

9. U.S. House of Representatives, 1996 Green Book, p. 640.

10. Ibid., p. 642.

11. Ibid.

12. The Child Care and Development Fund combined four programs: AFDC Child Care Program, Transitional Child Care Assistance, At-Risk Child Care Program, and the Child Care and Development Block Grant. For a comparison of prior law and the 1996 Welfare Bill, go to http://aspe.os.dhhs.gov/hsp/isp/reform.htm.

13. Margy Waller, "Welfare-to-Work and Child Care: A Survey of the Ten Big States," Progressive Policy Institute Policy Briefing, Washington, September 26, 1997.

14. Public Law 104-193, Title VI, Section 603, August 22, 1996, at ftp://ftp.loc.gov/pub/thomas/c104/h3734.enr.txt.

15. Cheryl Wetzstein, "States to Split $1 Billion to Help Problem Cases Escape Welfare," Washington Times, September 14, 1997.

16. This estimate was derived using numbers from 1994, the most recent year for which data are available. In 1994, 46 percent of AFDC recipient children were aged five or under--that is, roughly 4.5 million children. U.S. House of Representatives, 1996 Green Book, pp. 467, 473. A similar estimate was given by Caryn Rivers of the Child Care Action Campaign in a personal phone conversation, September 17, 1997. Rivers's estimates were derived from information from the Children's Defense Fund and the Congressional Budget Office.

17. General Accounting Office. "Welfare Reform: Implications of Increased Work Participation for Child Care." GAO/HEHS-97-75, May 1997.

18. Public Law 104-193, Title I, August 22, 1996. For a summary of the 1996 Welfare Bill, go to: http://thomas.loc.gov/cgi-bin/bdquery/z?d104:HR03734:@@@L|TOM:/bss/d104query.html.

19. States may not reduce or terminate assistance if child care is unavailable because of (1) unavailability of appropriate child care within a reasonable distance from the individual's home or work site, (2) unavailability or unsuitability of informal child care by a relative or under other arrangements, and (3) unavailability of appropriate and affordable formal child care arrangements. Although exempt, such families are still counted in determining the state's participation rate. General Accounting Office, "Welfare Re-

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form: States' Early Experiences with Benefit Termination," GAO/HEHS-97-14, May 1997.

20. The data are from Casper, "Who's Minding Our Preschoolers?" and Lynne M. Casper, "What Does It Cost to Mind Our Preschoolers?" Census Bureau Current Population Report, P70-52. Both reports are available at http://www.census.gov/population/www/socdemo/child/p7053.html and /p7052.html.

21. Ellen Eliason Kisker et al., A Profile of Child Care Settings: Early Education and Care in 1990 (Princeton, N.J.: Mathematica Policy Research Inc., 1991), p. 31. The Profile of Child Care Settings focuses on the supply of formal early education, including Head Start, child care centers, and regulated family day care. It was coordinated with Sandra L. Hofferth et al., National Child Care Survey, 1990 (Washington: Urban Institute, 1991), which focuses on parents' demands for child care and includes information on unregulated providers. The former was prepared under contract for the U.S. Department of Education, and the latter was jointly sponsored by the National Association for the Education of Young Children and the Head Start Bureau of the Administration for Children, Youth and Families in the Department of Health and Human Services.

22. States have applied child care funds to at least 10 activities including systems of professional development, child care resource and referral agencies, consumer education and support of families, licensing and monitoring activities, development of family child care networks, state certification of quality programs, programs for teen parents, community coordinators and interagency facilitators, leveraging funds, and inclusion projects for children with special needs. For details, see U.S. Department of Health and Human Services, "Report on the Activities of the States Using Child Care and Development Block Grant Quality Improvements Funds," August 1996. That report is at http://ericps.ed.uiuc.edu/nccic/research/quality/quality.html.

23. National Governors Association, "Incentives and Supports for the Employment of Welfare Recipients," (Washington, 1997, p. 13.

24. American Public Welfare Association, "The Child Care Challenge: States Leading the Way," Washington, July 1997.

25. Mitchell, Stoney, and Dichter, pp. 31, 37.

26. American Public Welfare Association, p. 3.

27. See, for example, Hillary Rodham Clinton, It Takes a Village and Other Lessons Children Teach Us (New York: Simon & Schuster, 1996); William T. Gormley Jr., Everybody's Children: Child Care as a Public Problem (Washington: Brookings Institution, 1995); Lisbeth B. Schorr, "Helping Kids When It Counts," Washington Post, April 30, 1997; and Cost, Quality, and Child Outcomes Study Team, "Cost, Quality, and Child Outcomes in Child Care Centers,"University of Colorado at Denver, April 1995, executive summary.

28. Ellen Galinsky et al., The Study of Children in Family Child Care and Relative Care: Highlights of Findings (New York: Families and Work Institute, 1994).

29. Cost, Quality, and Child Outcomes Study Team, 1995. See also Ellen Eliason Kisker and Christine M. Ross, "Arranging Child Care," The Future of Children 7, no. 1 (Spring 1997) pp. 99-109; Nancy Skonyers et al., "Child Care: The Road to Work," in Ready, Willing, and Able? What the Record Shows about State Investments in Children 1990-1995 (Washington: National Association of Child Advocates, 1996); National Research Council, Commission on Behavioral and Social Sciences and Education, Who Cares for America's Children? Child Care Policy for the 1990s (Washington: National Academy Press, 1990), executive summary.

30. For example, (according to the Cost, Quality, and Child Outcomes Study Team,) when children's basic health and safety needs are met and adults provide warmth, support, and some learning experiences, that care is "mediocre." According to the research team, 0 percent of the centers studied received an "excellent" rating and only 13 percent received a "good" rating. Three-quarters of the centers were judged "mediocre"--that is, children's basic health and safety needs were met, adults provided warmth and support, and learning experiences were provided.

31. President Clinton speaking at the White House Conference on Early Childhood Development and Learning, April 17, 1997, at http://www.whitehouse.gov/WH/New/ECDC/Policy.html. See also Sandra J. Clark and Sharon K. Long, Child Care Prices: A Profile of Six Communities, (Washington: Urban Institute, 1995), executive summary.

32. For example, one study claimed that the quality of care in the communities studied was "not high" for all children. The reasons cited for low-quality care include low maximum reimbursement rates; low wages for child care workers; low

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licensing standards for providers; and few, if any, regulations covering license-exempt care. See Clark and Long.

33. Fewer than 10 percent mentioned cost as their most important consideration. Sandra L. Hofferth et al., p. 215.

34. National Research Council, Child Care for Low-Income Families: Summary of Two Workshops, chap. 2.

35. Ibid.

36. Anne S. Johansen, Arleen Leibowitz, and Linda Waite, "The Importance of Child-Care Characteristics to Choice of Care," Journal of Marriage and the Family 58, no. 3 (August 1996): 759-72.

37. Ibid.

38. Hofferth et al., p. 232.

39. National Research Council, Who Cares for America's Children?

40. Ibid.

41. This information was collected only for parents who had enrolled their children in center-based programs. Hofferth et al., p. 279.

42. Victoria Pope, "Day-Care Dangers," U.S. News & World Report, August 4, 1997.

43. U.S. Department of Health and Human Services, Family Day Care in the United States: Final Report of the National Day Care Home Study (Washington: Government Printing Office, 1981), p. 124.

44. Katherine Boo, "Most D.C. Day-Care Centers Have Expired Licenses," Washington Post, October 6, 1996.

45. For example, the Cost, Quality, and Child Outcomes Study Team wrote, "Consumers thus show little differential effective demand for higher quality, in part because they have difficulty observing the quality of care the children actually receive." The Cost, Quality, and Child Outcomes Study Team, 1995.

46. Sandra Sobieraj, "First Lady Outlines Child-Care Plan," washingtonpost.com, October 1, 1997.

47. U.S. Department of Labor, Secretary's Task Force, Child Care: A Workforce Issue (Washington: Government Printing Office, 1988), executive summary, p. 1.

48. Characteristics of arrangements included child/staff ratios, group size, and providers' education levels. Hofferth et al., p. 302.

49. National Research Council, Child Care for Low-Income Families: Summary of Two Workshops, chap. 3.

50. National Research Council, Institute of Medicine, Board on Children and Families, Child Care for Low-Income Families, Directions for Research: Summary of a Workshop (Washington: National Academy Press, 1996), chap. 2.

51. It is still not clear whether those minor differences recorded in the short term will significantly affect children's long-term development. See, for example, "Mother-Child Interaction and Cognitive Outcomes Associated with Early Child Care: Results of the NICHD Study," Poster symposium presented at the Biennial Meeting of the Society for Research in Child Development, Washington, April 1997.

52. National Research Council, Child Care for Low-Income Families, Directions for Research: Summary of a Workshop, chap. 2. See also Lisbeth B. Schoor, "Helping Kids When It Counts," Washington Post, April 30, 1997.

53. Robert Rector, "Fourteen Myths about Families and Child Care," Harvard Journal on Legislation 26 (1989): 517-47.

54. U.S. Department of Labor, Secretary's Task Force, p. 10.

55. Kisker et al. did not examine nonregulated family day care, relative care, or in-home provider care. According to NCCS data, for all children under age five, about 21 percent are in center-based care, 14 percent are in relative care, 11 percent are in family day care, and 3 percent receive in-home provider care. Nonregulated family day care accounts for an estimated 90 percent to 95 percent of all family day care.

56. For a thorough discussion of the ways in which regulations affect the child care market, see Karen Lehrman and Jana Pace, "Day-Care Regulation: Serving Children or Bureaucrats?" Cato Institute Policy Analysis no. 59, September 25, 1985.

57. Barbara Willer et al., The Demand and Supply of Child Care in 1990: Joint Findings from the National Child Care Survey 1990 and a Profile of Child Care Settings (Washington: National Association for the Education of Young Children, 1991), p. 16.

58. Kisker and Ross, p. 31.

59. Hofferth et al., pp. 425-26.

60. James R. Walker, "Public Policy and the Supply of Child Care Services," in The Economics of Child Care, ed. David M. Blau (New York: Russell Sage Foundation, 1991), pp. 51-57.

61. Willer et al., p. 25.

62. Kisker et al. report that less than 1 percent of regulated home-based programs do not charge parental fees. In contrast, 15 percent of centers, including subsidized programs such as Head Start, do not charge parents for care. On average, centers receive about 22 percent of their incomes from government agencies.

63. U.S. Department of Labor, Women's Bureau, "Care around the Clock: Developing Child Care Resources before 9 and after 5," April 1995.

64. Ibid., p. 5.

65. Ibid., p. 16.

66. Lehrman and Pace.

67. Kisker and Ross, pp. 114-15.

68. Lehrman and Pace. See also George W. Liebmann, "How Zoning Laws Break Up Families," Cato Policy Report 15, no. 6 (November-December 1993).

69. Kisker and Ross, p. 8.

70. Hofferth et al., p. 233.

71. U.S. House of Representatives, 1996 Green Book, p. 637.

72. April A. Brayfield, Sharon Gennis Deich, and Sandra L. Hofferth, Caring for Children in Low-Income Families: A

Substudy of the National Child Care Survey, 1990 (Washington: Urban Institute, 1993), p. 95.

73. Ellen Galinsky et al., Quality in Family Child Care & Relative Care (New York: Teacher's College Press, 1995), p. 191.

74. Fewer than 10 percent of all families mentioned cost as their most important consideration. Hofferth et al., pp. 215-20.

75. National Research Council, Child Care for Low Income Families: Summary of Two Workshops. For further discussion on factors influencing mothers' child care choices, see Johansen, Leibowitz, and Waite, pp. 759-72.

76. Casper, "What Does It Cost to Mind Our Preschoolers?"

77. Ibid.; and Casper, "Who's Minding Our Preschoolers?"

78. Lawrence M. Mead, The New Politics of Poverty: The Nonworking Poor in America (New York: Basic Books, 1992), pp. 169-70.

79. William Kelso, Poverty and the Underclass: Changing Perceptions of the Poor in America (New York: New York University Press, 1994), pp. 130-31.

80. For a thorough discussion of problems associated with welfare reform, see Michael Tanner, The End of Welfare: Fighting Poverty in the Civil Society (Washington: Cato Institute, 1996).

81. General Accounting Office, "Child Care: Child Care Subsidies Increase Likelihood That Low-Income Mothers Will Work,"GAO/HEHS-95-20, December 1994.

82. Kelso, p. 130.

83. The Census Bureau collects data on the arrangements of families in which there is only a father present, but those data are considered too negligible to report.

84. Eloise Anderson is director of the California Department of Social Services. Her ideas about government aid were shaped by her own experience as a single mother who chose to pump gas rather than accept cash assistance. This quote is from a speech she delivered at the Pioneer Institute's annual meeting as it appeared in Dialogue 22 (August 1997): 1-5.

85. U.S. Department of Labor, Secretary's Task Force, p. 14.

86. Ibid.

87. Judith G. Gonyea, "The Real Meaning of Balancing Work and Family," The Public Policy and Aging Report 8, no. 3 (Summer 1997): 1-19.

88. U.S. Department of Labor, Secretary's Task Force, p. 4.

89. Ibid., p. 5.

90. Hofferth et al., p. 422.

91. Ibid., p. 423.

92. This discussion draws heavily on Mitchell, Stoney, and Dichter, p. 67 n 6.

93. Milton Moskowitz, "Twelfth Annual Survey: 100 Best Companies for Working Mothers," Working Mother, October 1997.

94. Mitchell, Stoney, and Dichter, pp. 70-71.

95. Ibid., p. 71.

96. Ibid., p. 73.

97. Kirstin Downey Grimsley, "On-the-Job Day Care, Other Specialized Benefits Replace Wage Increases," Washington Post, September 14, 1997.

98. U.S. Department of Labor, Secretary's Task Force, p. 7.

99. Mitchell, Stoney, and Dichter, p. 78.

100. Ibid., pp. 81-82.

101. "Opinion Roundup, Child Care: A Problem or a Voting Issue?" Public Opinion, July-August 1988.

102. Steve Forbes, "Tear Down This Tax Code," Wall Street Journal, July 15, 1997.

103. President Clinton, "White House Conference on Child Care Announcement," White House, Office of the Press Secretary, July 23, 1997, at http://www.whitehouse.gov/WH/New/html/19970723-3115.html.

104. For example, see news release of Sen. Orrin Hatch (R-Utah) on the Child Health Insurance and Lower Deficit Act, April 8, 1997.

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